

S A M P L E

<u>Allocated</u>	<u>Group</u>	<u>Individual</u>	<u>Total</u>
Loss Adjustment Expenses Paid - Direct	\$ 50,000	\$ 25,000	\$ 75,000
Loss Adjustment Expenses Paid - Assumed	1,000	500	1,500
Loss Adjustment Expenses Paid - Ceded	<u>2,000</u>	<u>1,000</u>	<u>3,000</u>
Net Loss Adjustment Expenses Paid	<u>\$ 49,000</u>	<u>\$ 24,500</u>	<u>\$ 73,500</u>
Unpaid Loss Adjustment Expenses - Previous Year	\$ 20,000	\$ 10,000	\$ 30,000
Unpaid Loss Adjustment Expenses - Current Year	<u>25,000</u>	<u>12,500</u>	<u>37,500</u>
(1981 2,000 Group 1,000 Individual 1982 23,000 Group 11,500 Individual)			
Net Loss Adjustment Expenses Incurred	<u>\$ 54,000</u>	<u>\$ 27,000</u>	<u>\$ 81,000</u>
 <u>Unallocated</u>			
Commissions Paid - Direct	\$ 40,000	\$ 20,000	\$ 60,000
Commissions Reinsurance - Assumed	15,000	7,500	22,500
Commissions Reinsurance - Ceded	<u>30,000</u>	<u>15,000</u>	<u>45,000</u>
Net Commissions	<u>\$ 25,000</u>	<u>\$ 12,500</u>	<u>\$ 35,500</u>
Expenses Incurred (75% Underwriting, 20% LAE, 5% Investment)	\$ 80,000	\$ 40,000	\$ 120,000
Other Underwriting Expenses Unpaid - Previous Year	10,000	5,000	15,000
Other Underwriting Expenses Unpaid - Current Year	<u>10,000</u>	<u>5,000</u>	<u>15,000</u>
Expenses Paid	<u>\$ 80,000</u>	<u>\$ 40,000</u>	<u>\$ 120,000</u>